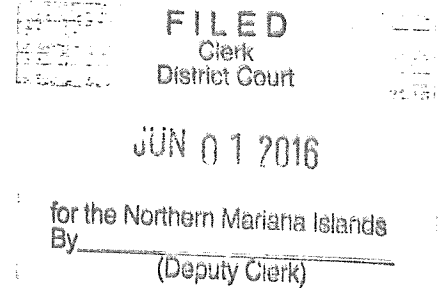


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Attorney for the Plaintiff.



**THE UNITED STATES DISTRICT COURT  
FOR THE  
NORTHERN MARIANA ISLANDS**

MANUEL ALVAREZ,

Plaintiff,

vs.

SEAHORSE, INC., and  
SHAO WALKER,

Defendants.

Civil Action No.

**GV** **16-00014**

**COMPLAINT and DEMAND  
FOR JURY TRIAL**

**Jurisdiction and Venue**

1. This Court has federal question jurisdiction over this matter pursuant to 28 U.S.C. §1331, and supplemental jurisdiction pursuant to 28 U.S.C. §1367. Venue is proper in this district under 28 U.S.C. 1391(b)(1) and (2).

**The Parties**

2. Plaintiff Manuel Alvarez ("Mr. Alvarez") is a resident of Saipan.

3. Defendant Seahorse, Inc. ("Seahorse") is a corporation organized under the laws of the Commonwealth of Northern Mariana Islands.

4. Defendant Shao Walker ("Ms. Walker") is a resident of Saipan.

**The Facts**

5. In 2005, Seahorse was incorporated and established as a business primarily engaged in tourism and marine sports in Saipan.

6. Mr. Alvarez contributed equipment, labor, expertise, and experience to Seahorse's

**ORIGINAL**

1 establishment.

2 7. Ms. Walker contributed money.

3 8. At the time of the incorporation of Seahorse, Mr. Alvarez and Ms. Walker agreed that  
4 Mr. Alvarez would receive half of the shares in the corporation after ten years of operation.

5 9. From the time of incorporation, Mr. Alvarez was an employee of Seahorse.

6 10. Seahorse is and always has been engaged in interstate commerce such as marketing  
7 and bookings over the internet, transporting customers and equipment through channels of interstate  
8 commerce, and accepting credit and debit card payments over interstate and international  
9 telecommunications systems.

10 11. Seahorse has annual sales in excess of \$500,000 per year.

11 12. Aspects of Mr. Alvarez's work for Seahorse concerned matters affecting interstate  
12 commerce such as marketing and bookings over the internet, transporting customers and equipment  
13 through channels of interstate commerce, and swiping credit and debit card transactions over  
14 interstate and international telecommunications systems.

15 13. Seahorse operates from roughly sunup to sundown three hundred and sixty-five days  
16 a year.

17 14. For the entire time of his employment with Seahorse, Mr. Alvarez worked at least  
18 twelve hours per day, six days a week, and around six hours every Sunday.

19 15. For the first nine years of his employment, it was agreed that Mr. Alvarez would be  
20 paid \$35 per day, but that he would actually only receive \$25 per day with the remaining \$10 per day  
21 held back for exigencies such as medical travel or other unexpected expenses.

22 16. Mr. Alvarez did not always actually receive the \$25 per day payment.

23 17. For roughly the final year of Mr. Alvarez's employment, Mr. Alvarez was paid \$400  
24 per week.

25 18. In some months, Mr. Alvarez would also receive an additional \$200 for work  
26 performed for two companies related to Ms. Walker and Seahorse, Saipan Aqua World and Kuraling  
27 Dive.

1           19.     At no time during his employment was Mr. Alvarez paid enough to properly  
2 compensate him for the number of hours worked, and he was always paid below the minimum wage.

3           20.     At no time during his employment was Mr. Alvarez properly paid overtime.

4           21.     Seahorse's and Ms. Walker's refusal to pay proper wages and overtime was willful.

5           22.     Throughout the entirety of Mr. Alvarez's employment, Seahorse and Ms. Walker  
6 failed to pay withholding and Social Security for Mr. Alvarez.

7           23.     In February of 2015, after roughly ten years of Seahorse business activity, Mr.  
8 Alvarez asked Ms. Walker for half of the Seahorse shares as she had promised. Ms. Walker refused  
9 to transfer the shares as promised.

10          24.     Ms. Walker's failure to transfer the Seahorse shares is a breach of contract.

11          25.     In late 2015, Mr. Alvarez became ill and needed medical attention off-island.

12          26.     The \$10 payment that had been withheld from Mr. Alvarez's pay was intended to  
13 cover expenses like off-island medical referral.

14          27.     When Mr. Alvarez requested that the company pay, persons working on behalf of Ms.  
15 Walker attempted to force Mr. Alvarez to sign over title to certain property in exchange for the travel  
16 expenses.

17          28.     Seahorse and Ms. Walker otherwise refused to provide the travel expenses to Mr.  
18 Alvarez.

19          29.     The refusal to pay travel expenses was also a breach of contract.

20          30.     Mr. Alvarez twice traveled to the Philippines at his own expense for medical checks  
21 and treatment.

22          31.     When Mr. Alvarez returned from the first trip, he found that Ms. Walker had changed  
23 the locks on Mr. Alvarez's living quarters and personal office, converting all of the personal property  
24 belonging to Mr. Alvarez, and effectively making him homeless.

25          32.     Despite demands, Ms. Walker still has not allowed Mr. Alvarez to return to his living  
26 quarters and office, nor has she allowed him to retrieve his property.

27          33.     Ms. Walker and Seahorse used the profits and proceeds from Seahorse to start or  
28

1 purchase several other corporations and businesses including Regel Corporation and the Iron Horse  
2 Machine Shop, Kuraling Dive, Saipan Aqua World, and the Low Tide Beach Bar & Grill.

3 34. Mr. Alvarez contributed equipment, labor, expertise, and experience to all of these  
4 other businesses.

5 35. It was agreed and understood between Ms. Walker and Mr. Alvarez that he was an  
6 equal partner in all of these other businesses.

7 36. Ms. Walker now refuses to recognize Mr. Alvarez's interests in any of these  
8 businesses, and this is another breach of contract.

9 37. Seahorse, Regel Corporation and the Iron Horse Machine Shop, Kuraling Dive,  
10 Saipan Aqua World, and the Low Tide Beach Bar & Grill are the alter-egos of Ms. Walker and of  
11 each other, and Ms. Walker and all of these companies consistently fail to follow corporate  
12 formalities, and also regularly and improperly commingle and share funds, equipment, labor,  
13 materials, and etc. between and among each other.

14 38. Seahorse and/or Regel Corporation and the Iron Horse Machine Shop and/or Kuraling  
15 Dive, and/or Saipan Aqua World, and/or the Low Tide Beach Bar & Grill, and/or Ms. Walker have  
16 converted numerous items of property belong to Mr. Alvarez, including but not limited to cash, an  
17 antique Chrysler automobile, power boats and boating equipment, a catamaran, several jet skis,  
18 heavy equipment, the property in Mr. Alvarez's living quarters and office, and other items to their  
19 own use and benefit.

20 39. Mr. Alvarez has demanded that the property be returned, but he has received no  
21 response.

22 40. All of Defendants acts and omissions as alleged herein were willful and intentional.

23 **First Cause of Action – Payment Below Minimum Wage in Violation of the FLSA**

24 41. Paragraphs 1 through 40 of this Complaint are realleged and incorporated herein by  
25 this reference.

26 42. The wages paid to Plaintiff by Defendant(s) were below the minimum wage required  
27 by the Fair Labor Standards Act, 29 U.S.C. §206.

**Second Cause of Action – Unpaid Overtime in Violation of FLSA**

43. Paragraphs 1 through 42 of this Complaint are realleged and incorporated herein by this reference.

44. Defendant(s) failed to properly pay Plaintiff for work in excess of forty (40) hours per week in violation of the requirements of the Fair Labor Standards Act, 29 U.S.C. §207.

**Third Cause of Action – Retaliation in Violation of the FLSA**

45. Paragraphs 1 through 44 of this Complaint are realleged and incorporated herein by this reference.

46. Defendant(s) terminated Plaintiff's employment in retaliation for Plaintiff's complaints and assertion of rights in violation of the anti-retaliation provisions the Fair Labor Standards Act, 29 U.S.C. §215(a)(3).

**Fourth Cause of Action – Violation of CNMI Wage and Hour Act**

47. Paragraphs 1 through 46 of this Complaint are realleged and incorporated herein by this reference.

48. Defendant(s) failure to properly pay Plaintiff for work in excess of forty hours per week violates the requirements of the CNMI Minimum Wage and Hour Act, 4 CMC §9222.

**Fifth Cause of Action – Breaches of Contract**

49. Paragraphs 1 through 48 of this Complaint are realleged and incorporated herein by this reference.

50. The promise between Mr. Alvarez and Ms. Walker under which Mr. Alvarez was to receive one half of the shares in Seahorse was a contract supported by good and valuable consideration.

51. Ms. Walker breached this contract by refusing to transfer and recognize Mr. Alvarez's ownership interest in Seahorse.

52. The promises between Mr. Alvarez and Ms. Walker through which Mr. Alvarez was to receive one half interests in Regel Corporation and the Iron Horse Machine Shop, Kuraling Dive,

1 Saipan Aqua World, and the Low Tide Beach Bar & Grill were contracts supported by good and  
2 valuable consideration.

3 53. Ms. Walker breached these contract by refusing to transfer and recognize Mr.  
4 Alvarez's ownership interests in these companies.

5 54. The promise between Seahorse, Ms. Walker, and Mr. Alvarez whereby \$10.00 of Mr.  
6 Alvarez's daily pay was withheld for exigencies such as travel expenses was a contract supported  
7 by good and valuable consideration.

8 55. Ms. Walker breached this contract by failing to pay for Mr. Alvarez's travel expenses.

9 **Sixth Cause of Action – Conversion**

10 56. Paragraphs 1 through 55 of this Complaint are realleged and incorporated herein by  
11 this reference.

12 57. As described above, Ms. Walker and Seahorse, and their alter-egos, have intentionally  
13 exercised dominion and control over chattels belonging to Mr. Alvarez, and have completely  
14 interfered with Mr Alvarez's right to control the property.

15 58. Mr. Alvarez has been damaged by conversion of the property.

16 **Prayer for Relief**

17 WHEREFORE, Plaintiff prays the Court grant the following relief:

18 1. Damages for regular wages paid below the minimum wage, unpaid overtime in an  
19 amount to be proven at trial.

20 2. Liquidated damages as allowed by statute.

21 3. Damages for breaches of contract in an amount to be proven at trial.

22 4. Damages for conversion in an amount to be proven at trial.

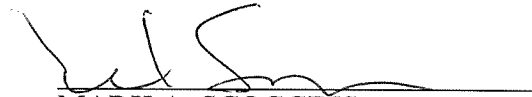
23 5. Incidental and consequential damages.

24 6. Punitive damages.

25 7. Reasonable attorneys' fees and costs as allowed by statute.

26 8. Such other relief as the Court deems just and proper.

27 Respectfully submitted this June 1, 2016.

  
MARK A. SCOGGINS  
Attorney for Manuel Alvarez

DEMAND FOR JURY TRIAL

In accordance with Fed. R. Civ. P. 38(b)(1), Plaintiff Manuel Alvarez hereby demands a trial by jury as to all issues.

  
MARK A. SCOGGINS  
Attorney for Manuel Alvarez